

RESOLUTION NO. 2007-87

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH AMENDING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE MANAGEMENT EMPLOYEES' ORGANIZATION (MEO), BY ADOPTING THE SIDE LETTER OF AGREEMENT

WHEREAS, on May 21, 2007, the City Council of Huntington Beach adopted Resolution No. 2007-33 for the purpose of adopting the Memorandum of Understanding (MOU) between the City and the Management Employees' Organization (MEO);

Subsequent to the adoption of the MOU, the City of Huntington Beach and MEO agreed to changes, corrections, and clarifications to the MOU that are reflected in a Side Letter of Agreement between the City of Huntington Beach and MEO ("Side Letter of Agreement") attached hereto as **Exhibit A** and incorporated herein by this reference. The Side Letter of Agreement pertains to extension of the term of agreement, additional wage increases, health benefits cost provisions, retirement benefits and unit modification.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Huntington Beach as follows:

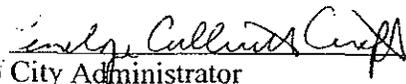
- Section 1. The Side Letter of Agreement attached hereto as **Exhibit A** is approved and adopted.
- Section 2. The Side Letter of Agreement amends the MOU between the City of Huntington Beach and MEO.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 17th day of December, 2007

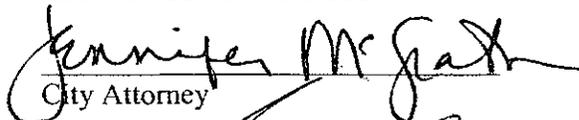


Mayor

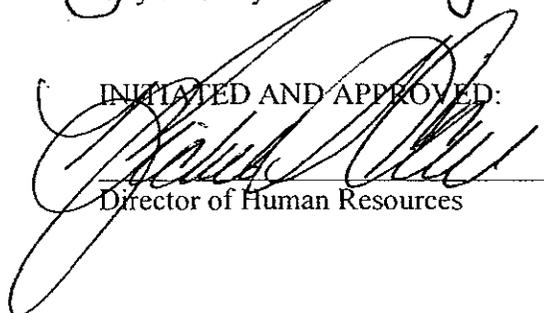
REVIEWED AND APPROVED:


City Administrator

APPROVED AS TO FORM:


City Attorney

INITIATED AND APPROVED:


Director of Human Resources

City of Huntington Beach SIDE LETTER AGREEMENT

Representatives of the Management Employees' Organization ("MEO") and the City of Huntington Beach ("City") hereby agree to the following terms related to the MEO MOU:

Article I – Term of MOU

The term of agreement shall be extended for an additional three (3) years to midnight, December 19, 2011.

Article VI – Salary Schedule

2. Wage Increases

- g. Effective the beginning of the pay period that includes December 20, 2008, all employees shall receive a two percent (2.0%) wage increase.
- h. Effective the beginning of the pay period that includes December 20, 2009, all employees shall receive a two percent (2.0%) wage increase.
- i. Effective the beginning of the pay period that includes December 20, 2010, all employees shall receive a two percent (2.0%) wage increase.

Article VII – Special Pay

A. Educational Tuition

1. Upon approval of the Department Head and the Director of Human Resources, permanent employees may be compensated for courses from accredited educational institutions, including vocational schools. Tuition reimbursement shall be limited to job-related courses or job-related educational degree objectives and requires prior approval by the Department Head and the Director of Human Resources.

2. Education costs shall be reimbursed to permanent employees ~~on the basis of a full refund~~ for tuition, books, parking (if a required fee) and any other required fees upon presentation of receipts. However, the maximum reimbursement shall not be more than one thousand five hundred dollars (\$1,500) in any fiscal year period, per employee.

2a. Employees may not carry-over and be reimbursed for prior fiscal year education costs in successive fiscal years.

3. Reimbursements shall be made when the employee presents proof to the Director of Human Resources that he/she has successfully completed the course with a grade of "C" or better; or a "Pass" if taken for credit.

Article X – Health and Other Insurance Benefits

J. Health Insurance Option

In addition to the wage increase available in Article VI, Section 2.g-i, MEO has the option to spend either one-half of one percent (.50%) in years three (3), four (4) or five (5) of this agreement, to offset health insurance cost increases OR MEO may elect to take the one-half of one percent (.50%) in a wage increase in years three (3), four (4), or five (5) of this agreement. MEO must notify the City in writing of its election by August 15, in year three (3), year four (4) and year five (5).

Article XI – Retirement Benefits

C. Retirement Contract Reopener – *Language Deleted*

C. PERS 2.5% @ 55

If all other affected units agree, and subject to a formal ratification vote conducted in accordance with CalPERS regulations, the City shall implement the 2.5% @ 55 PERS retirement formula effective in year two (2) of this agreement (12/20/07 – 12/19/08). Effective the beginning of the first pay period

following implementation, the employee shall pay all additional costs of the employee share of PERS to implement the 2.5% @ 55 PERS retirement formula. In years three (3) four (4) and five (5) and thereafter, the employee shall pay 2.25% of the employee share of PERS.

Article XIV (E) – Unit Modification

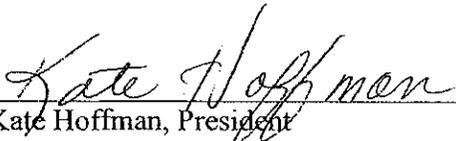
The City of Huntington Beach proposes to include the following modified, newly created, and non-associated positions into MEO (as approved by the Personnel Commission 10/17/07 and Adopted by City Council 11/19/07)

- Energy Project Manager (new)
- General Services Manager (new)
- Payroll Systems Analyst (modified)
- Personnel Analyst, Principal (NA - omitted from prior side letter agreement in error)
- Project Manager (new)

IN WITNESS WHEREOF, the parties have caused this SIDE LETTER AMENDMENT to be executed by and through their authorized officers on December 17, 2007.

For MEO

For the City of Huntington Beach

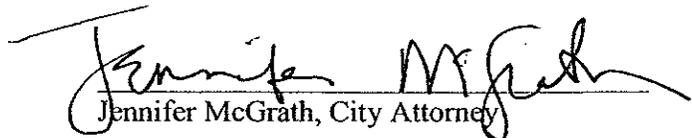

Kate Hoffman, President


Dr. Penelope Culbreth-Graft
City Administrator

Dated: 11-27-07

Dated: 12-18-07

APPROVED AS TO FORM:

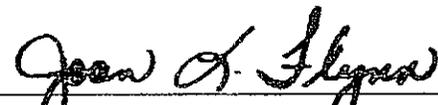

Jennifer McGrath, City Attorney

Dated: 12/17/07

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, JOAN L. FLYNN the duly elected, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at a **regular** meeting thereof held on **December 17, 2007** by the following vote:

AYES: Bohr, Coerper, Green, Carchio
NOES: Hansen, Hardy, Cook
ABSENT: None
ABSTAIN: None



City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California